

## NOTICE

### PROPOSED CHANGES TO COLORADO PERA'S BOARD OF TRUSTEES

As a member or beneficiary of Colorado PERA, you are hereby notified that proposed legislation has been introduced recommending a change to the structure of the governing board of PERA. PERA board members are trustees with the fiduciary duty to oversee your trust fund.

Proposals are being made that would alter the composition and size of the board, the process for selecting board members, as well as determining board member qualifications. PERA will provide up-to-date information regarding these potential changes during the legislative session at [www.copera.org](http://www.copera.org) under the Legislation link. Information on bills affecting PERA is also available at [www.leg.state.co.us](http://www.leg.state.co.us) by using either the House or Senate Bills link and searching All Bills for "PERA." Please use these sources to remain informed about your trust fund.

## PERA's Change Initiatives *By Meredith Williams, Colorado PERA Executive Director*

The 2006 legislative session promises to be a busy one for Colorado PERA. At their December 2005 meeting, the PERA Board of Trustees finalized their legislative proposals. As you know, all PERA benefits are contained in state statute and the Board of Trustees can only recommend legislation for approval by the General Assembly and the Governor. Details of PERA's proposals are available on page 2 and also on the PERA Web site under the Legislation link off the home page at [www.copera.org](http://www.copera.org). This link will have updated information throughout the 2006 legislative session.

I believe that the Board's proposals are comprehensive and innovative. The package addresses PERA's funded status without impairing earned pension benefits for existing and retired members. If PERA is successful in working to pass these proposals, a new "tier" of PERA benefits will be created for members joining PERA on or after January 1, 2007.

The new tier of membership (Tier 2) is an extremely competitive retirement program and acknowledges that the pension environment has undergone major changes over the past decade. If this legislative package is enacted and current actuarial assumptions are met, the funded status of your retirement plan remains stable for decades to come. PERA's critics may claim that the Board's proposals do not go far enough. What they don't understand is that a defined benefit plan like PERA does not need to be 100 percent funded right now because all benefits are not due and payable today or even next year. Those who are critical of PERA want an immediate, and often political, solution, when prudent solutions will take many years to be realized.

The Trustees' proposals do not affect any legally protected benefits for current PERA members and benefit recipients. This is important to keep in mind as you may read or hear about other proposals in the upcoming months. The PERA Board of Trustees has acted proactively in recommending these changes that will create a new tier for PERA members hired in the future. Tier 2 will have lower benefits, will be 100 percent funded, and will have automatic "triggers" built in to ensure that PERA remains at a healthy funded level into the future. In Tier 2, members and employers share the risk associated with funding a retirement plan because both the member and employer contribution rates can fluctuate based on the funded status of PERA. These aspects of Tier 2 are truly innovative in the public pension world.

As I said above, no changes are proposed for "legally protected" benefits. However, there are some benefits you have as a PERA member that do not carry constitutional protections. These include:

- The subsidy paid toward PERA's retiree health care program (called PERACare, which is an optional retiree health care program)

- What is considered to be PERA-includable salary
- How your Highest Average Salary (HAS) is determined

The PERA Board of Trustees is proposing that the PERACare subsidy level be returned to the amount that existed prior to 2000 for pre-Medicare participants in PERACare. The Board is recommending that the maximum subsidy paid to offset the cost of premiums in PERACare be a maximum of \$115 per month for members who are under age 45 as of January 1, 2007. You may remember that the subsidy for pre-Medicare eligible retirees was doubled from \$115 per month to the current maximum of \$230 per month starting in 2000.

The Board is also proposing that members and employers make contributions on salary that is deferred to Section 125 and 132 Plans (flexible spending accounts and transportation equity allowances). Currently, PERA does not receive contributions on this portion of members' salaries and many members elect to stop participating in these plans as they near retirement, making their HAS higher. This means PERA ends up paying a lifetime benefit based on an HAS that does not reflect the entire member salary earned or contributions paid over a career. (Sometimes this is called "salary spiking.")

Another proposal that would limit "spiking" of HAS is to use a one-year "look back" for application of the 15 percent per year limit in salary increases. Once the three periods of 12-consecutive months have been determined, PERA would calculate the HAS based on a 15 percent limit from the year before the first 12-month period. Most members' HAS calculation would not be impacted by this. This proposal would become effective for members retiring on or after January 1, 2009. PERA is also proposing that the schedule for increases in employer contribution rates be accelerated, starting in 2008.

It's difficult to know for sure what else is on the legislative horizon. There may be proposals to change the size or composition of the PERA Board of Trustees. There may be legislation drafted that would attempt to change current members' benefits. That's why we'll have the latest information posted on our Web site and available by phone so you can have the facts.

Finally, we have heard that there may be an initiative to, in effect, close PERA to new members and create a defined contribution plan for all public employees. If enough valid signatures were gained in circulating such an initiative, it could be placed on the November 2006 ballot. My advice to you is twofold: (1) be careful what you sign outside your neighborhood grocery store in the upcoming months and, (2) communicate with your elected officials about the importance of your PERA retirement to you and your family.

Please send your questions, comments, or thoughts to me at [Meredith@copera.org](mailto:Meredith@copera.org).

# Proposed Colorado PERA Legislation

The Colorado PERA Board of Trustees has directed PERA staff to seek legislative sponsorship on plan changes that are designed to maintain solid retirement benefits for current and future PERA members, while preserving the long-term financial stability of the PERA trust funds.

This legislative package proposes no changes affecting current benefit recipients and it maintains all legally protected benefits for current active members. It will help amortize unfunded liabilities and maintain the actuarial soundness of PERA over the long-term for all current and future members.

## Changes Affecting Current Members

- Limit "spiking" of salaries for Highest Average Salary (HAS) calculation.
  - Include members' voluntary pre-tax contributions for IRC Section 125 and 132 plan expenses in salary for PERA purposes.
  - Tighten the limit on salary increases included in the calculation of the three-year HAS, applicable to benefits that become effective on or after January 1, 2009.
- For current PERA members under age 45, and for new members, limit PERA's subsidy toward retiree health premiums prior to age 65, with an effective date of January 1, 2007.

## New PERA Benefits for PERA Members Hired January 1, 2007, or Later

- Employees hired on or after January 1, 2007, would have "Tier 2" PERA benefits.
  - 2.1 percent of HAS per year of service.
  - HAS based on highest 5 years of salary.
  - No guaranteed annual increase after retirement. A portion of the employer contribution (0.5 percent of salary) is earmarked for a fund to provide future COLA increases.
  - Tier 2 members contribute 7 percent of salary.
  - Safeguards included in the Plan to ensure Tier 2 plan remains actuarially sound into the future.



- Employees hired before January 1, 2007, remain in "Tier 1."
  - 2.5 percent of HAS per year of service.
  - HAS based on highest 3 years of salary.
  - Automatic increase of 3.5 percent per year after retirement; (lower of CPI or 3 percent per year for members hired July 1, 2005, through December 31, 2006).
  - Tier 1 members continue contributions of 8 percent of salary.

## Funding of PERA Benefits

- Accelerate current phase-in of employer amortization equalization disbursement (AED) payments by making scheduled increases 0.5 percent of salary rather than 0.4 percent of salary for each year 2008-2011, and add a 0.5 percent of salary AED increase for 2012.
- Change statute on unfunded liability amortization period to reflect that a maximum amortization period of 30 years shall be deemed actuarially sound.
- Safeguards are included to ensure actuarial soundness for the Tier 2 plan. Contributions by Tier 2 members and employers increase in tandem if the funded ratio for Tier 2 benefits declines below 90 percent. If member contributions eventually reach a maximum of 10 percent of salary, the PERA Board would propose legislation to reduce future benefits for Tier 2 members.



**COLORADO  
PERA®**

## Member Report

**Denver Main Office:**  
1300 Logan Street  
Denver, CO 80203

### Denver Main Office Hours

(Mountain time):  
7:30 a.m.—4:30 p.m. Monday—Friday

### Customer Service Center Hours

(Mountain time):  
7:00 a.m.—5:30 p.m. Monday—Thursday  
7:00 a.m.—4:30 p.m. Friday

**Phone:**  
303-832-9550 or  
1-800-759-7372 (PERA)

**Westminster Office:**  
1120 W. 122nd Avenue  
Westminster, CO 80234

### Westminster Office Hours

(Mountain time):  
Monday 7:30 a.m.—4:30 p.m.  
Tuesday 7:30 a.m.—4:30 p.m.  
Wednesday 1:00 p.m.—4:30 p.m.  
Thursday 7:30 a.m.—4:30 p.m.  
Friday 7:30 a.m.—4:30 p.m.

**Web site/e-mail:**  
[www.copera.org](http://www.copera.org)

**Send forms and address changes to:**  
PERA  
PO Box 5800  
Denver, CO 80217-5800

**Send/e-mail comments to:**  
PERA Communications Division  
1300 Logan Street  
Denver, CO 80203-2386  
[editor@copera.org](mailto:editor@copera.org)

**Communications Director:**  
Katie Kaufmanis

**Editor/Writer:**  
Madalyn Knudsen

**Staff Writers:**  
Tina Cordova  
Lisa Fedak

**Layout:**  
Cathy Heyer

**Photography:**  
Brian Bandimere

## Proposed Colorado PERA Legislation *(continued)*

- Eligible state employees hired in 2007 or later who elect a defined contribution plan (either the State DPA's plan or PERA's) contribute 7 percent of salary to their plan. The total State contribution will be the same rate as for Tier 1 PERA members, split with 7 percent of salary going into the DC plan, and the remainder going to fund the unfunded liability of PERA Tier 1 benefits.

### Proposed Change to Board Structure

- Although not part of the legislative package, the PERA Board will modify the current Charters of the Board Committees by

adding two outside experts to the memberships of the Benefits Committee, Compensation and Budget Committee, and the Investment Committee. Such members will be selected by the Board according to specified qualification criteria, will be voting members of the respective committees, will serve overlapping four-year terms, and will be compensated for their services. 

*Updated information about legislation affecting PERA will be posted on the PERA Web site ([www.copera.org](http://www.copera.org)) throughout the legislative session. Click on the Legislation link on the PERA home page.*

## Learn About PERA From PERA


Colorado PERA continues to hear from members and employers about financial services representatives who want to teach members how to maximize their PERA benefits. While PERA encourages you to meet with a trusted financial adviser who is aware of your unique financial situation and goals, we also ask you to be aware of financial advisers who want to sell you a product that would replace or enhance your PERA benefit. PERA does not work with or endorse external vendors for financial planning services.

The best course of action when contacted by any financial services or planning professional is to ask if they are affiliated with PERA. You should also check any materials you might receive from such vendors to see if they are using the PERA logo, or a name similar to PERA, that might be intended to lead you to think you are working with someone from PERA.



*Colorado PERA Field Education Representative Shane Linart listens to a member's question at a recent PERA meeting.*

The best source for information related to your PERA account is from PERA. PERA representatives are available to explain your retirement plan at no charge and have no financial products to sell for a commission. While other vendors may claim to know about PERA, your best course of action is to call PERA's Customer Service Center at 1-800-759-7372 or 303-832-9550. You are also encouraged to attend one of the official meetings sponsored by

Colorado PERA that are held around the state to learn more about your PERA retirement plan. (See the meetings schedule on pages 9-11.) PERA staff can give you information specific to your individual situation. We are the experts on your future benefits—and we charge no fees or commissions. 

# Colorado PERA Announces Settlement of Royal Ahold N.V. Securities Litigation

## Who is Ahold?

- *Ahold is one of the largest food providers in the Netherlands, as well as in the U.S.*
- *The company's chain stores include Stop & Shop, Giant, TOPS, Albert Heijn, and Bompreco.*
- *As a food retailer, Ahold supplies supermarkets and discount stores in North and South America, Europe, and Asia.*
- *Ahold supplies food to restaurants, hotels, health care institutions, government facilities, universities, sports venues, and catering companies.*

Royal Ahold N.V. (Ahold) has agreed to pay a total of \$1.1 billion to settle all securities law claims asserted against Ahold and certain other defendants in the securities litigation pending in the United States District Court for the District of Maryland. Colorado PERA was Lead Plaintiff in the lawsuit against Ahold, an international food service conglomerate, as a result of the company's overstated earnings.


The settlement is global in nature and is designed to provide a recovery to all persons who purchased Ahold common stock and/or American Depository Receipts from July 30, 1999, through February 23, 2003, regardless of where such persons live or purchased their Ahold shares.

For global investors such as PERA, the integrity of the global marketplace is imperative. PERA has long been a strong advocate for improved corporate governance, increased transparency, and global accountability. PERA believes these objectives are well served by this resolution. Through this settlement, investors in Ahold, during the applicable time period, will be provided a fair and adequate recovery regardless of where they reside and regardless of where they purchased their shares. This is a tremendous step toward global accountability and PERA is pleased and proud to have reached this point.

The Ahold settlement represents PERA's dedication to furthering the rights of institutional shareholders on behalf of their membership. PERA was awarded Lead Plaintiff status by the U.S. federal courts and worked with an external Wall Street law firm that specializes in securities litigation cases.

In February 2003, Ahold disclosed that it had overstated its earnings for 2001 and expected 2002 earnings by over \$500 million. Ahold later made a final report of its losses for 2002 and under U.S. Accounting Standards, the reported loss was more than \$5 billion.

PERA has been active in the securities litigation arena, fulfilling the PERA Board of Trustees' commitment to corporate governance reforms and enforcement of shareholder rights. PERA has sought increased corporate transparency through participation in the Council of Institutional Investors, and has demonstrated this commitment by negotiating a billion dollar settlement with a global corporate entity.

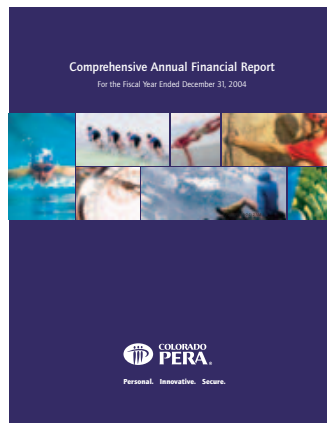
The amount of the final settlement due to PERA is yet to be determined. In class action law suits, such as the Ahold case, there is a period of time in which members of the class (other investors) can file to recover their losses. PERA has estimated investment losses related to Ahold to be \$16 million. 

## Colorado PERA Recognized for Accurate Financial Reporting

For the 20th consecutive year, Colorado PERA has been awarded the Certificate of Achievement for Excellence in Financial Reporting by the Government Finance Officers Association of the United States and Canada (GFOA) for its 2004 *Comprehensive Annual Financial Report (CAFR)*.


The Certificate of Achievement is the highest form of recognition in the area of public employee retirement system accounting and financial reporting.

Meredith Williams, Colorado PERA's executive director who accepted the award, said "This award recognizes that PERA has been, and continues to be, dedicated to providing our members and other constituent groups with a clear and accurate view of our financial position."



In order to win the award for its *CAFR*, PERA's 2004 report was judged by an impartial panel and found to meet the high standards of the program including demonstrating a constructive "spirit of full disclosure" to clearly communicate its financial story and motivate potential users and user groups to read the *CAFR*.

PERA also received the GFOA Award for Outstanding Achievement in Popular Annual Financial Reporting for its 2004 *Popular Annual Financial Report (PAFR)*, a summary of the *CAFR* that is mailed to members and benefit recipients. To receive the award for the

*PAFR*, the content had to meet program standards of creativity, presentation, understandability, and reader appeal. 

# PERA and Social Security

If you are close to retiring from PERA-covered employment and you have been covered by Social Security at any time during your career, be sure to review your Social Security statement. The statement, which is automatically sent to you each year by Social Security, does not factor in the time you worked for a PERA-covered employer. Unless you have 30 years of employment covered by Social Security, your Social Security benefit estimate could be misleading and inaccurate. Since most PERA members do not pay into the Social Security system while working for a PERA-affiliated employer, your Social Security benefit may be reduced from the benefit estimate shown.

Social Security has two reductions that apply to Social Security benefits received by PERA retirees—the Windfall Elimination Provision (WEP) and the Government Pension Offset (GPO).

## Windfall Elimination Provision

WEP applies to PERA members who do not contribute to Social Security. Social Security uses a formula to reduce the Social Security benefit payable to these members. The formula is based on earnings and payroll tax contributions to the Social Security system. However, with 30 or more years of "substantial" Social Security earnings, Social Security benefits will not be reduced. PERA benefits are never reduced because the PERA retiree is also receiving a Social Security benefit.

## Government Pension Offset

The GPO can also reduce or eliminate the Social Security benefit for spouses, divorced spouses, and surviving spouse



who also receive a pension based on their own work that was not covered by Social Security, such as PERA. With the GPO, the amount of a spouse's, divorced spouse's, or widow(er)'s Social Security benefit is reduced by two-thirds of the amount that the individual earns from his or her PERA (or other non-Social Security) benefit. In some cases, the offset may entirely eliminate a Social Security benefit.

## Contact Social Security for More Information

Even though PERA staff members are knowledgeable about the general provisions of WEP and the GPO, the Social Security Administration actually determines how an individual's Social Security benefit is impacted. Therefore, it is important that you direct questions about your specific situation to Social Security and not PERA.

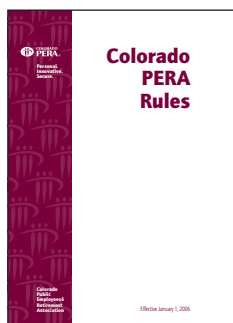
For more information, read the *PERA & Social Security* brochure; you may download the PDF file or order the brochure online at [www.copera.org](http://www.copera.org).

To contact the Social Security Administration, call 1-800-772-1213 or visit their Web site at [www.ssa.gov](http://www.ssa.gov). Once on the Social Security home page, click on the link, "Federal, State & Local Government Employees," which will take you to the links for the online WEP and GPO calculators; you will need to input information from your most recent Social Security statement. You may also request or download the Social Security pamphlets #05-10007, *Government Pension Offset*, and #05-10045, *The Windfall Elimination Provision*.

## Revised PERA Rules in Effect

Starting January 1, 2006, a variety of revisions to the PERA Rules went into effect. These rule changes were approved by the PERA Board of Trustees at their October 2005 meeting. A summary of the rule changes may be viewed on the PERA Web site (under Latest News) or you

may view/print a copy of the entire PERA Rules publication from the PERA Web site at [www.copera.org](http://www.copera.org).



## Colorado PERA Shareholders' Information on the Web

More than 1,000 Colorado PERA members and retirees attended one of the 27 PERA Shareholder meetings held around the state last fall. These meetings provided firsthand information about recent legislation and PERA's financial condition as well as the legislative outlook heading into the 2006 session.

If you were unable to attend one of the Shareholder meetings, you can view the presentation given by PERA at [www.copera.org](http://www.copera.org) (under Latest News, then "Colorado PERA Concludes 'Shareholder' Meetings").

# Review Your Beneficiary Designations

The start of the new year is a good time to review your beneficiaries for your PERA member account, and the PERA life insurance program or 401(k) Plan, if you participate. If it has been several years since you updated any of your beneficiaries, changes in your life may have occurred, such as marriage or divorce, which means you should review, and update if necessary, your beneficiary designations.

## To review your PERA named beneficiary

Go to the PERA Web site at [www.copera.org](http://www.copera.org) and select Account Access. After entering your Social Security number and PERA PIN, select Account Beneficiaries from the Inquiry drop-down menu. If you do not have computer access, you may call the PERA Customer Service Center to verify your PERA named beneficiary.

## To change your PERA named beneficiary

Complete the PERA *Member Information Form*. You may complete the form online using your PERA PIN. After entering your Social Security number and PERA PIN, go to Online Services, then Forms. From there, select Beneficiary Change. You also may download the form from PERA's Web site or call the PERA Customer Service Center to request a form. Your changes will be effective when PERA receives the completed form.

## To review your PERA life insurance beneficiary

Go to the PERA Web site at [www.copera.org](http://www.copera.org) and select Account Access. After entering your Social Security number and PERA PIN, select Life Insurance from the Inquiry drop-down menu to review your life insurance beneficiaries. If you are in a life insurance plan still administered by PERA (New York Life paid-up or waiver plans; Anthem Life and Prudential waiver plans) and you do not have computer access, you may call the PERA Customer Service Center to verify your PERA life insurance beneficiary.

## To change your PERA life insurance beneficiary

If you have a life insurance plan still administered by PERA (New York Life paid-up or waiver plans; Anthem Life and Prudential waiver plans), you may print a PDF of the *Life Insurance Beneficiary Change Form* from the PERA Web site at [www.copera.org](http://www.copera.org) under Tools/Forms/Pubs or you may call the PERA Customer Service Center to request a form. Your changes will be effective when PERA receives the completed signed form. If you have a life insurance plan that is administered by UnumProvident, you may change your beneficiary online using your PERA PIN. Click on the Account Access icon and enter your Social Security number and PERA PIN. From your account page, choose the Inquiry drop-down menu and select Life Insurance. You will see the link to the UnumProvident Web site. You may also request that a beneficiary form be mailed to you by calling UnumProvident at 1-866-277-1649.


## To review your PERA 401(k) Plan beneficiary

Go to the PERA Web site at [www.copera.org](http://www.copera.org) and select Account Access. After entering your Social Security number and PERA



PIN, you will need to click on 401(k) Account Access on either the right side of the screen or under the Inquiry menu. You will then be taken to the Web site for PERA's 401(k) Plan. From the drop-down menu on the left side of the screen, select Colorado PERA 401(k) Plan and then click on Personal Information. Select Beneficiary Information from the left side of the screen.

## To change your PERA 401(k) Plan beneficiary

There are two ways to change your 401(k) Plan beneficiary—(1) Go to [www.copera.org](http://www.copera.org) and click on 401(k) Information, then click on Forms and print the Beneficiary Designation form and mail it to the address at the top of the form. (2) Log on to your PERA account by going to [www.copera.org](http://www.copera.org) and clicking on Account Access. After entering your Social Security number and PERA PIN, click on 401(k) Account Access, and select Colorado PERA 401(k) Plan from the drop-down menu on the left side of the screen. Next, select Personal Information, then Beneficiary Information, then select Add/Edit Beneficiary. Your change will be effective when the form is received or when you make the change online. A confirmation notice acknowledging your change will be mailed to you. 

### Don't Forget PERA

*Often members will update certain information with their employers, but not PERA. Don't forget to also notify PERA if you update any of the following information listed below with your employer:*

- Beneficiary changes
- Name changes
- Home phone number changes
- Address changes

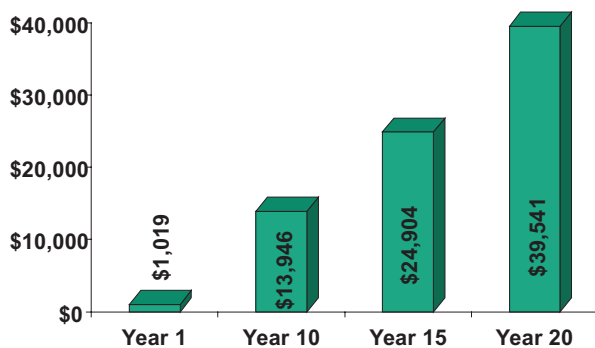
*Need a PERA PIN?  
Go to the PERA Web site at [www.copera.org](http://www.copera.org) and click on the Account Access icon or call PERA's Customer Service Center to request a PIN.*

# PERA's 401(k) Plan—An Easy Way to Save

Wouldn't you like to have money to pay health care premiums, take a vacation, or spruce up your home when you retire? With the Colorado PERA 401(k) Plan, you can set aside money to help you pay for any "extras" in retirement. You decide how little, or how much, you want to invest and then select the investments that work best for you. The following are some of the benefits of enrolling in the 401(k) Plan.

## Start Small

Even a very small investment can grow over time. The chart below shows the account growth of an employee with an annual salary is \$25,000 who contributes 4 percent (about \$83 per month) to the 401(k) Plan.\*



\*Assumes an annual salary growth rate of 3 percent and an annual return of 4 percent.

## Lower Taxes

When you enroll in the PERA 401(k) Plan, your contributions are taken from your paycheck before taxes. This means your taxable income is lower so you pay taxes on less money. (Participation in the 401(k) Plan does not reduce your PERA-includable salary.)

## Loans Available

If you decide later that you need your money for any reason, including the purchase of a home, you are eligible to take a loan from the 401(k) Plan.

## Portability


When you leave PERA-covered employment, you can take your 401(k) with you. You can roll over the balance to another qualified plan, 403(b), governmental 457 plan, or an IRA.

## Enrollment

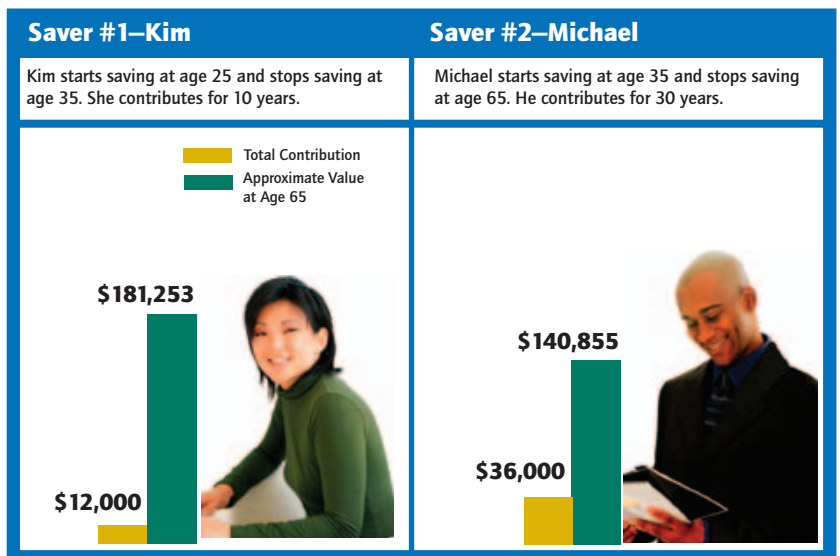
To enroll in the PERA 401(k) Plan, go to [www.copera.org](http://www.copera.org) and click on 401(k) Plan Enrollment. You will be taken to a Web site that will walk you through the enrollment process. You will also be able to access all Plan information, including information about the investment funds. Enrolling in the 401(k) Plan is a two step process:

1. Print out the 401(k) *Contribution Authorization Form* and give it to your employer's payroll office. This form authorizes your employer to begin taking 401(k) Plan contributions from your paycheck.
2. Complete your personal information and select how you want your money to be invested.

## More Information

If you would like to learn more about the PERA 401(k) Plan, go to [www.copera.org](http://www.copera.org) and click on 401(k) Information. You may also call 1-800-759-7372 and select the 401(k) option. You may order or view an Enrollment Kit from either option. 

## Saving Early Pays Off



Assumptions: Each individual makes a \$100 monthly contribution earning an 8 percent annually compounded return. This is an example and is not intended to guarantee an actual rate of return. Actual returns may be more or less depending on your investments.


# Planning for Health Care in Retirement

A recent survey conducted by Aetna, the Financial Planning Association, and Women's Policy, Inc., suggests that Americans underestimate how much they will spend on health care when they retire. The survey shows that nearly 30 percent of pre-retirees do not know what to anticipate for their health care needs and almost 40 percent have spent less than an hour in the last year planning for health benefits in retirement.

According to the survey, 52 percent of the respondents said they expected to spend less than \$300 a month on health care expenses.

Other findings of the survey include:

- 31 percent of pre-retirees would rather clean their bathrooms or pay bills instead of plan for retirement
- 36 percent of pre-retirees say they have spent more time on home improvements than on retirement planning in the last year

One way to account for future health care premiums in retirement is to save funds through a 401(k), 457, 403(b), or Health Savings Account. By saving money in one of these plans, you will not drain your primary retirement benefit such as your PERA benefit to pay for health care in retirement. 

## Health Care Costs for PERA Retirees

- *The average monthly PERA benefit for retirees retiring in 2004 = \$2,992*
- *The average cost for a Pre-Medicare health care plan in PERACare = \$779\**
- *Gross benefit before taxes and after health care premium = \$2,213*
- *Percentage of benefit going toward health care = 26%*

*\*The average cost is based on six HMO/PPO plans offered by the three Metro-Denver health care carriers in Metro Denver (Mutual of Omaha, CIGNA HealthCare, Kaiser Permanente, and Rocky Mountain Health Plans). The amount shown is the full premium amount without the health care subsidy.*

*To get a more accurate projection of what your net health care premium might be in PERACare, use the PERACare calculator on the PERA Web site at [www.copera.org](http://www.copera.org).*

## Preparing for a PERA Retirement

If you're planning to retire with a retirement date effective July 1, 2006, now is the time to start finalizing details. The following timeline can assist you with your planning.

### What You Need to Do Now


- Request a benefit estimate from PERA. You may either call PERA at 1-800-759-7372 to request a benefit estimate, or you may e-mail us through the "Contact Us" link on the PERA home page. If you are e-mailing your request, be sure to include your anticipated retirement date and your cobeneficiary's date of birth (if you need an estimate for a benefit Option 2 or 3). This information can be included in the "Comments/Questions" section.

Please note: To protect the confidentiality of your information, estimates will not be given over the telephone or sent via e-mail. Benefit estimates will be mailed to you at the address on record at PERA.

- Decide on the date you wish to retire.
- Review options for health care and life insurance coverage after retirement. (Reminder: To have PERA life insurance coverage during retirement, you must be enrolled before you retire.)
- Determine what to do with the money in your voluntary tax-deferred retirement investment plans (if any).
- Attend a PERA Retirement Planning Meeting (see the meetings schedule on pages 9-11 for a meeting near you).

### Three Months Before You Retire

- Request a PERA Retirement Application Kit. You may order a Retirement Kit online or call PERA to request one be sent to you.
- Request that your employer complete the *Final Six Months' Salary Report*, which is included in your Retirement Kit.
- Plan to pay off any outstanding service credit purchases before your retirement date.
- Review coverage options under PERACare, PERA's Health Benefits Program. If you wish to enroll, you must do so within 30 days following your effective date of retirement.

As you prepare for retirement, be sure to keep your payroll/personnel office informed of your retirement plans since your employer is an important part of your retirement process. You should also find out if you are eligible for any post-retirement benefits or programs from your employer and coordinate health care and life insurance coverage, if needed. 

*For July 1, 2006, retirement dates, you must have the following forms turned into PERA by June 1, 2006:*

- PERA Retirement Application
- Withholding Preference Form
- Authorization for Direct Deposit of Benefit
- PERACare Enrollment/Change Form (if you want PERACare coverage)

# PERA Meetings and Counseling Schedule (January 2006 – May 2006)

Appointments for group workshops and individual appointments can be made up to 24 hours before the scheduled date. Individual appointments are available Monday-Friday at the PERA offices in Denver and Westminster. Individual appointments are also available the first Saturday morning of each month at the Denver and Westminster offices. Events requiring cutoff dates may fill to capacity prior to the cutoff date.

If there is inclement weather in your area on the date scheduled for a meeting, appointment, or workshop, please call PERA's Customer Service Center at 1-800-759-7372 or 303-832-9550 to find out the status of the meeting. Reservations are only needed for group workshops, individual appointments, and meetings held at PERA's Penn Center and Pointe locations.

## 401(k) Meetings (401(k))

These meetings will provide a general overview of the Colorado PERA 401(k) Plan. Topics to be covered include deferral limits, funds available, administrative fees, loans, rollovers, distribution times and choices, taxation, and penalties. These meetings are especially suited for those members considering additional retirement savings or who wish to later purchase service credit.

**Length of meeting:** One hour

**Reservation:** Not needed (except as noted for certain Denver and Westminster locations)

## Benefit Information Meetings (BIM)

These meetings cover all aspects of PERA benefits and are for members at any stage in their PERA careers, especially those within 5-10 years of retirement; members are strongly encouraged to attend this meeting prior to scheduling a Group Workshop or Individual Appointment.

**Length of meeting:** Two hours

**Reservation:** Not needed (except as noted for certain Denver and Westminster locations)

## Group Workshops (GW)

Informal interactive workshops open to 10-12 members (spouses are also invited) that offer more detailed information for members at any stage in their retirement planning. Members should attend a Benefit Information Meeting prior to attending a Group Workshop.

**Length of workshop:** 90 minutes

**Reservation:** See the scheduled cutoff date

## Individual Appointments (IA)

Appointments are available to PERA members to discuss anything related to their PERA membership or benefit calculation before retiring. It is not a requirement to meet with PERA staff prior to retiring. Members should attend a Benefit Information Meeting prior to scheduling an Individual Appointment.

**Length:** 45 minutes

**Reservation:** Up to 24 hours before the scheduled date

## PERACare Information Meetings (PCI)

Intended for members who are near retirement to learn important details on the PERACare Health Benefits Program including eligibility, pre-Medicare and Medicare plan choices, prescription benefits and other topics. Members are encouraged to attend a Benefit Information Meeting prior to attending a PERACare Information Meeting.

**Length:** 90 minutes

**Reservation:** Not needed (except as noted for certain Denver and Westminster locations)

## Purchasing Service Credit Workshops (PSC)

Workshops review requirements and other information to aid members in deciding to purchase service credit.

Members are encouraged to attend a Benefit Information Meeting prior to attending a Purchasing Service Credit Workshop.

**Length:** One hour

**Reservation:** Not needed (except as noted for certain Denver and Westminster locations)

## Retirement Process Meetings (RPM)

Intended for members who plan to retire within the next year. Most of the meeting is devoted to reviewing some of the fundamentals of PERA benefits. In addition, there will be a detailed discussion of required forms and post-retirement issues. Members are encouraged to attend a Benefit Information Meeting prior to attending a Retirement Process Meeting.

**Length:** 90 minutes

**Reservation:** Not needed (except as noted for certain Denver and Westminster locations)

**Interpreters for deaf/hard-of-hearing members are available at PERA meetings held in large cities.  
Please call PERA's Customer Service Center to request an interpreter.**

### Alamosa

All meetings are at the Inn of the Rio Grande, 333 Santa Fe Ave.

**401(k):** February 28, 7:30 p.m.

**BIM:** February 28, 5:00 p.m.

**GW:** March 1, 4:30 p.m. (cutoff: February 28)

**PCI:** March 2, 6:30 p.m.

**PSC:** March 1, 6:30 p.m.

**RPM:** March 2, 4:30 p.m.

### Aurora

All meetings are at the Aurora School District Administration Building, 1085 Peoria St., Conference Room C

**401(k):** March 8, 7:30 p.m.

**BIM:** March 8, 5:00 p.m.

**GW:** March 9, 4:30 p.m. (cutoff: March 8)

**PSC:** March 9, 6:30 p.m.

### Boulder

All meetings are at the Best Western Boulder Inn, 770 28th St.

**401(k):** April 6, 6:30 p.m.

**BIM:** March 28, 6:30 p.m.

April 5, 5:00 p.m.

**GW:** March 28, 4:30 p.m. (cutoff: March 27)

April 6, 4:30 p.m. (cutoff: April 5)

**PCI:** February 1, 6:30 p.m.

**PSC:** April 5, 7:30 p.m.

**RPM:** February 1, 4:30 p.m.

### Brighton

All meetings are at the Brighton Recreation Center, 555 N. 11th Ave.

**BIM:** March 2, 6:30 p.m.

**GW:** March 2, 4:30 p.m. (cutoff: March 1)

### Burlington

All meetings are at Burlington Middle School, 2600 Rose Ave.

**BIM:** March 1, 6:30 p.m.

**GW:** March 1, 4:30 p.m. (cutoff: February 28)

### Canon City

All meetings are at the Quality Inn & Suites, 3075 East Highway 50

**401(k):** February 13, 7:30 p.m.

**BIM:** February 13, 5:00 p.m.

**PCI:** April 25, 6:30 p.m.

**RPM:** April 25, 4:30 p.m.

### Castle Rock

All meetings are at the School Board Meeting Room, 620 Wilcox Ave.

- 401 (k):** February 28, 7:30 p.m.
- BIM:** February 28, 5:00 p.m.
- GW:** April 10, 4:30 p.m. (cutoff: April 7)
- PSC:** April 10, 6:30 p.m.

### Centennial

All meetings are at the Smoky Hill Library, 5430 S. Biscay Cir.

- BIM:** March 29, 6:00 p.m.
- PCI:** April 13, 6:30 p.m.
- RPM:** April 13, 4:30 p.m.

### Colorado Springs

All meetings are at the Clarion Hotel Downtown, 314 W. Bijou St.

- 401 (k):** March 15, 6:30 p.m.
- BIM:** February 7, 6:30 p.m.  
March 14, 5:00 p.m.  
April 26, 6:30 p.m.
- GW:** February 7, 4:30 p.m. (cutoff: February 6)  
March 15, 4:30 p.m. (cutoff: March 14)  
April 26, 4:30 p.m. (cutoff: April 25)
- PCI:** February 8, 6:30 p.m.  
March 16, 6:30 p.m.  
April 27, 6:30 p.m.
- PSC:** March 14, 7:30 p.m.
- RPM:** February 8, 4:30 p.m.  
March 16, 4:30 p.m.  
April 27, 4:30 p.m.

### Conifer

All meetings are at the Conifer High School Library, 10441 Hwy 73

- BIM:** February 16, 4:30 p.m.
- PSC:** February 16, 7:00 p.m.

### Cortez

All meetings are at the Cortez Conference Center, Holiday Inn Express, 2121 East Main

- BIM:** April 19, 6:30 p.m.
- GW:** April 19, 4:30 p.m. (cutoff: April 18)

### Denver

The following meetings are at the Penn Center, 1301 Pennsylvania St.

- 401 (k):** March 28, 6:30 p.m. (cutoff: March 27)
- BIM:** February 11, 8:30 a.m. (cutoff: February 10)  
February 21, 5:00 p.m. (cutoff: February 17)  
April 8, 8:30 a.m. (cutoff: April 7)
- GW:** February 11, 11:00 a.m. (cutoff: February 10)  
March 28, 4:30 p.m. (cutoff: March 27)  
April 8, 11:00 a.m. (cutoff: April 7)  
April 25, 4:30 p.m. (cutoff: April 24)
- PCI:** March 11, 10:30 a.m. (cutoff: March 10)  
April 18, 6:30 p.m. (cutoff: April 17)  
May 13, 10:30 a.m. (cutoff: May 12)
- PSC:** April 25, 6:30 p.m. (cutoff: April 24)
- RPM:** March 11, 8:30 a.m. (cutoff: March 10)  
April 18, 4:30 p.m. (cutoff: April 17)  
May 13, 8:30 a.m. (cutoff: May 12)

The following meetings are at PERA, 1300 Logan St.

- IA:** February 4, 8:15 a.m. (cutoff: February 3)  
March 3, 8:15 a.m. (cutoff: March 3)  
April 1, 8:15 a.m. (cutoff: March 31)  
May 6, 8:15 a.m. (cutoff: May 5)

### Durango

All meetings are at Durango Recreation Center, 2700 Main Ave.

- 401 (k):** April 17, 7:30 p.m.
- BIM:** April 17, 5:00 p.m.
- PCI:** April 18, 6:30 p.m.
- RPM:** April 18, 4:30 p.m.

### Elizabeth

All meetings are at Elizabeth High School Library, 34500 County Rd. 13

- PCI:** April 11, 6:30 p.m.
- RPM:** April 11, 4:30 p.m.

### Fort Collins

All meetings are at the Lincoln Center, 417 W. Magnolia St.

- 401 (k):** February 15, 7:30 p.m.
- BIM:** February 15, 5:00 p.m.  
April 20, 6:30 p.m.
- GW:** February 16, 4:30 p.m. (cutoff: February 15)  
April 20, 4:30 p.m. (cutoff: April 19)
- PCI:** April 5, 6:30 p.m.
- PSC:** February 16, 6:30 p.m.
- RPM:** April 5, 4:30 p.m.

### Fort Morgan

All meetings are at the Comfort Inn, Exit 82 and I-76

- 401 (k):** May 3, 7:30 p.m.
- BIM:** May 3, 5:00 p.m.
- PCI:** May 4, 6:30 p.m.
- RPM:** May 4, 4:30 p.m.

### Frisco

All meetings are at the School Board Meeting Room, 150 Summit County Rd. 1030

- 401 (k):** February 9, 7:30 p.m.
- BIM:** February 9, 5:00 p.m.

### Glenwood Springs

All meetings are at the Ramada Inn & Suites, 124 West 6th St.

- BIM:** February 22, 6:30 p.m.
- GW:** February 22, 4:30 p.m. (cutoff: February 21)
- PCI:** February 23, 6:30 p.m.
- RPM:** February 23, 4:30 p.m.

### Golden

All meetings are at the School Board Meeting Room, Jefferson County Public Schools, 1829 Denver West Dr., Bldg. 27, 5th Floor

- BIM:** February 22, 6:30 p.m.
- GW:** February 22, 4:30 p.m. (cutoff: February 21)
- PCI:** May 3, 6:30 p.m.
- RPM:** May 3, 4:30 p.m.

### Grand Junction

All meetings are at the Holiday Inn, 755 Horizon Dr.

- BIM:** January 31, 5:00 p.m.  
March 28, 6:30 p.m.
- GW:** March 28, 4:30 p.m. (cutoff: March 27)
- PCI:** March 29, 6:30 p.m.
- PSC:** January 31, 7:30 p.m.
- RPM:** March 29, 4:30 p.m.

### Greeley

The following meetings are at the Best Western Regency, 701 8th St.

- BIM:** February 14, 6:30 p.m.
- GW:** February 14, 4:30 p.m. (cutoff: February 13)
- PCI:** April 4, 6:30 p.m.
- RPM:** April 4, 4:30 p.m.

The following meetings are at the University of Northern Colorado, University Center, 2045 10th Ave., Columbine B Room

- BIM:** April 26, 6:30 p.m.
- GW:** April 26, 4:30 p.m. (cutoff: April 25)

### Highlands Ranch

The following meeting is at the Highlands Ranch Library, 9292 Ridgeline Blvd., Shea A&B Rooms

- BIM:** March 29, 6:00 p.m.

### La Junta

All meetings are at the Holiday Inn Express, 27994 Hwy 50 Frontage Rd.

- 401 (k):** April 12, 7:30 p.m.
- BIM:** April 12, 5:00 p.m.
- PCI:** April 13, 6:30 p.m.
- RPM:** April 13, 4:30 p.m.

### Lakewood

All meetings are at the Holiday Inn Lakewood, 7390 W. Hampden Ave.

- 401 (k):** February 15, 6:30 p.m.
- BIM:** April 10, 6:30 p.m.
- GW:** February 15, 4:30 p.m. (cutoff: February 14)  
April 10, 4:30 p.m. (cutoff: April 7)

### Lamar

All meetings are at the Best Western Cow Palace, 1301 Main

- BIM:** April 11, 6:30 p.m.
- GW:** April 11, 4:30 p.m. (cutoff: April 10)

### Limon

All meetings are at Limon High School, 874 F Ave.

- PCI:** March 2, 6:30 p.m.
- RPM:** March 2, 4:30 p.m.

### Littleton

All meetings are at the School Board Meeting Room, 5776 South Crocker St.

- PCI:** April 3, 6:30 p.m.
- RPM:** April 3, 4:30 p.m.

### Lone Tree

All meetings are at Lone Tree Recreation Center, 10249 Ridgegate Cir.

- BIM:** February 9, 6:30 p.m.
- GW:** February 9, 4:30 p.m. (cutoff: February 8)
- PCI:** April 6, 6:30 p.m.
- RPM:** April 6, 4:30 p.m.

### Longmont

All meetings are at the Longmont Public Library, 409 4th Ave.

- BIM:** February 7, 6:30 p.m.
- GW:** February 7, 4:30 p.m. (cutoff: February 6)

### Louisville

All meetings are at the Louisville Recreation Center, 900 Via Appia Way

- PCI:** March 22, 6:30 p.m.
- RPM:** March 22, 4:30 p.m.

### Loveland

All meetings are at the McKee Conference Center, 2000 Boise Ave., Friends Room

- BIM:** March 7, 6:30 p.m.
- GW:** March 7, 4:30 p.m. (cutoff: March 6)
- PCI:** March 8, 6:30 p.m.
- RPM:** March 8, 4:30 p.m.

### Meeker

The following meeting is at the Meeker School District Board Room, 555 Garfield St.

- BIM:** March 16, 5:00 p.m.

### Montrose

All meetings are at the Montrose Pavilion, 1800 Pavilion Rd.

- 401 (k):** March 27, 7:30 p.m.
- BIM:** March 27, 5:00 p.m.
- PCI:** February 2, 6:30 p.m.
- RPM:** February 2, 4:30 p.m.

### Parker

All meetings are at the Parker Library, 10851 Crossroads Dr.

- GW:** April 17, 4:30 p.m. (cutoff: April 14)
- PSC:** April 17, 6:30 p.m.

### Pueblo

All meetings are at the Pueblo Convention Center, 320 Central Main St.

- BIM:** February 22, 6:30 p.m.  
March 20, 6:30 p.m.
- GW:** February 22, 4:30 p.m. (cutoff: February 21)  
March 20, 4:30 p.m. (cutoff: March 17)
- PCI:** February 23, 6:30 p.m.
- RPM:** February 23, 4:30 p.m.

### Steamboat Springs

All meetings are at the Steamboat Springs School District Board Room, 325 7th St.

- 401 (k):** March 14, 7:30 p.m.
- BIM:** March 14, 5:00 p.m.
- PCI:** March 15, 6:30 p.m.
- RPM:** March 15, 4:30 p.m.

### Sterling

All meetings are at the Ramada Inn, I-76 and Highway 6

- BIM:** May 2, 6:30 p.m.
- GW:** May 2, 4:30 p.m. (cutoff: May 1)

### Westminster

All meetings are at The Pointe, 1120 West 122nd Ave.

- BIM:** April 20, 6:30 p.m. (cutoff: April 19)
- GW:** April 4, 4:30 p.m. (cutoff: April 3)  
April 20, 4:30 p.m. (cutoff: April 19)
- IA:** February 4, 8:15 a.m. (cutoff: February 3)  
March 4, 8:15 a.m. (cutoff: March 3)  
April 1, 8:15 a.m. (cutoff: March 31)  
May 6, 8:15 a.m. (cutoff: May 5)
- PCI:** March 9, 6:30 p.m. (cutoff: March 8)  
May 4, 6:30 p.m. (cutoff: May 3)
- PSC:** April 4, 6:30 p.m. (cutoff: April 3)
- RPM:** March 9, 4:30 p.m. (cutoff: March 8)  
May 4, 4:30 p.m. (cutoff: May 3)

### Wheat Ridge

All meetings are at the Wheat Ridge Recreation Center, 4005 Kipling St.

- 401 (k):** February 28, 7:30 p.m.
- BIM:** February 28, 5:00 p.m.

## Online Meeting and Appointment Scheduler

If you are planning to attend an individual appointment, group workshop, or meeting requiring a reservation, you may reserve a space online through PERA's secured access pages on [www.copera.org](http://www.copera.org) by using your Personal Identification Number (PIN).

- Go to [www.copera.org](http://www.copera.org) and click on the Active Members icon, then go to Meetings and Appointments and click on the meeting and appointment scheduler link under Meeting Schedule.

OR


- Go to [www.copera.org](http://www.copera.org) and click on the Account Access icon and enter your PIN, then select the Appointment Scheduler from Online Services drop-down menu.

You may search for meetings in your area without entering your PIN. 

## Receive PERA Publications Electronically

Colorado PERA members may select to receive electronic notification of the *Member Report*, the *Comprehensive Annual Financial Report (CAFR) Summary*, and Annual Member Statements via e-mail rather than the printed versions that are mailed to your home address. You'll get your PERA news faster than if we mailed it to you, and you'll be helping PERA to reduce the operating costs associated with printing and mailing.

If you choose to have PERA publications delivered electronically, you will receive your specified publications by e-mail the next time they are distributed. (The *CAFR Summary* is published in late June; the *Member Report* newsletters are published three times a year—January, May, and September); and Annual Member Statements are prepared and mailed about six weeks after your PERA anniversary date.)

Colorado PERA is committed to protecting your privacy—we will not provide your e-mail address to any other person or company. 

### To sign up for electronic delivery:

- Go to the PERA Web site at [www.copera.org](http://www.copera.org) and click on Account Access
- Enter your Social Security number and PERA PIN
- Select Electronic Delivery from the Online Services drop-down menu
- Verify the information listed is correct
- Enter your e-mail address
- Submit your request

(If you later decide that you prefer to receive your copies of these PERA publications in the mail, you would follow the same steps listed above, except uncheck the boxes next to the publication names you originally selected to receive via e-mail.)

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## Board of Trustees Election in May; Candidates Sought

In May 2006, Colorado PERA will hold an election for seats on the Board of Trustees for the following positions:

- One School Division position
- One State Division position
- One Local Government Division position

PERA members from a School, State, and Local Government Division employer will be sent ballots in early May to elect representatives in the above categories.

Terms expire on June 30, 2006, for School Division Trustee Scott Murphy; State Division Trustee Donna Bottenberg; and Local Government Division Trustee Mark Anderson.


Any PERA member who works for a State, School, or Local Government employer is eligible to run for a Trustee position on the Board if he or she completes a candidacy packet and meets the statutory requirements. Incumbents may run for re-election.

To be placed on the ballot, a candidate must fulfill the requirements explained in the candidacy packet, including the submission of a petition form signed by 100 PERA members in the candidate's employer division, along with a biographical sketch that must be returned to PERA by March 1, 2006.

### **Candidacy packets are available by writing to:**

**Chief Administrative Officer**

**Colorado PERA  
1300 Logan Street  
Denver, CO 80203-2386**

Requests for candidacy packets should include the name, Social Security number, PERA Division, mailing address, daytime telephone number, and signature of the candidate. State Division candidates must also indicate if they are a member of the PERA Defined Benefit or PERA Defined Contribution Plan. The Board of Trustees meets monthly (except in May, August, and December) and is responsible for adopting the rules and policies for the administration of PERA. Board members serve without pay, but are reimbursed for necessary expenses. 

## ¿Habla usted español?

Usted tiene beneficios de empleo proporcionados por Colorado PERA. Representantes están disponibles para contestar sus preguntas en español al 1-800-759-7372 de lunes a viernes de las 7:00 de la mañana hasta las 4:30 de la tarde. 